

PROPOSED AMENDMENT

HB 1315 # 2

DIGEST

Muncie Community school corporation. Permits the Ball State University board of trustees to adopt a resolution to govern the Muncie Community school corporation using a newly appointed seven member governing board. Requires the governing body to engage academically innovative strategies. Specifies that only certain laws will apply to the Muncie Community school corporation. Specifies other conditions. Deletes provisions concerning operating the Muncie Community school corporation as a laboratory school.

- 1 Page 32, delete lines 9 through 42.
- 2 Page 33, delete lines 1 through 6, begin a new paragraph and insert:
- 3 "SECTION 25. IC 20-23-18 IS ADDED TO THE INDIANA CODE
- 4 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 2018]:
- 6 **Chapter 18. Muncie Community School Corporation**
- 7 **Sec. 1. This chapter applies only to the Muncie Community**
- 8 **school corporation and only if the Ball State University board of**
- 9 **trustees adopts a resolution to take advantage of the relationship**
- 10 **between Ball State University and the Muncie Community school**
- 11 **corporation and to be governed by this chapter.**
- 12 **Sec. 2. The general assembly finds that provisions of this**
- 13 **chapter:**
- 14 **(1) are necessary to address unique issues faced by the Muncie**
- 15 **Community school corporation;**
- 16 **(2) take advantage of the relationship between Ball State**
- 17 **University and the Muncie Community school corporation;**
- 18 **and**
- 19 **(3) are not precedent for and may not be appropriate for**
- 20 **issues faced by other school corporations.**
- 21 **Sec. 3. (a) Except as provided in subsection (c), the Muncie**
- 22 **Community school corporation is subject to all applicable federal**
- 23 **and state laws.**
- 24 **(b) If a provision of this chapter conflicts with any other law,**
- 25 **including IC 20-23-4, the provision in this chapter controls.**

1 (c) Notwithstanding subsection (a), to provide all administrative
2 and academic flexibility to implement innovative strategies, the
3 Muncie Community school corporation is subject only to the
4 following:

5 (1) IC 20-28-5-8 (conviction of certain felonies; notice and
6 hearing; permanent revocation of license; data base of school
7 employees who have been reported).

8 (2) IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative
9 observances).

10 (3) IC 20-39 (accounting and financial reporting procedures).

11 (4) IC 20-40 (government funds and accounts).

12 (5) IC 20-41 (extracurricular funds and accounts).

13 (6) IC 20-42 (fiduciary funds and accounts).

14 (7) IC 20-42.5 (allocation of expenditures to student
15 instruction and learning).

16 (8) IC 20-43 (state tuition support).

17 (9) IC 20-44 (property tax levies).

18 (10) IC 20-46 (levies other than general fund levies).

19 (11) IC 20-47 (related entities; holding companies; lease
20 agreements).

21 (12) IC 20-48 (borrowing and bonds).

22 (13) IC 20-49 (state management of common school funds;
23 state advances and loans).

24 Sec. 4. This chapter does not affect the distressed unit appeal
25 board's power to make a determination on the status of Muncie
26 Community school corporation as a distressed school corporation
27 under IC 6-1.1-20.3.

28 Sec. 5. (a) Consistent with IC 20-23-4-26, the Muncie
29 Community school corporation retains all of the characteristics of
30 a community school corporation.

31 (b) The governing body of the Muncie Community school
32 corporation has all the powers, rights, duties, and obligations of a
33 community school corporation.

34 Sec. 6. (a) If the Ball State University board of trustees adopts
35 a resolution to take advantage of the relationship between Ball
36 State University and the Muncie Community school corporation
37 and be governed by this chapter, the following apply:

38 (1) The governing body of the Muncie Community school
39 corporation consists of seven (7) members.

40 (2) The members of the governing body of the Muncie

- 1 **Community school corporation shall be appointed as follows:**
- 2 **(A) Five (5) members shall be appointed by the Ball State**
- 3 **University board of trustees from individuals nominated**
- 4 **by the president of Ball State University.**
- 5 **(B) One (1) member shall be appointed by the Muncie city**
- 6 **council.**
- 7 **(C) One (1) member shall be appointed by the mayor of**
- 8 **Muncie.**

9 **(3) The terms for the initial members of the governing body**
 10 **are as follows:**

- 11 **(A) One (1) member appointed under subdivision (2)(A)**
- 12 **shall serve an initial term of one (1) year.**
- 13 **(B) One (1) member appointed under subdivision (2)(A)**
- 14 **shall serve an initial term of two (2) years.**
- 15 **(C) One (1) member appointed under subdivision (2)(A)**
- 16 **shall serve an initial term of three (3) years.**
- 17 **(D) Two (2) members appointed under subdivision (2)(A)**
- 18 **and each member appointed under subdivision (2)(B) and**
- 19 **(2)(C) shall serve an initial term of four (4) years.**

20 **After these initial terms, each member's term is four (4) years.**
 21 **A member's term expires June 30 in the applicable year.**

22 **(b) A member of the governing body serves at the pleasure of**
 23 **the appointing authority.**

24 **Sec. 7. The Muncie Community school corporation shall engage**
 25 **academically innovative strategies for:**

- 26 **(1) developing, testing, and evaluating new methods of**
- 27 **instruction and materials;**
- 28 **(2) comparing new methods with conventional methods in use;**
- 29 **and**
- 30 **(3) training teachers in new methods of instruction and**
- 31 **materials, as is found acceptable.**

32 **Sec. 8. Notwithstanding any other law, the Muncie Community**
 33 **school corporation may not receive a decrease in state funding**
 34 **based upon the Muncie Community school corporation's status as**
 35 **a distressed school corporation under IC 6-1.1-20.3 or because of**
 36 **the implementation of a waiver of a statute or rule that is allowed**
 37 **to be waived by the Muncie Community school corporation.**

38 **Sec. 9. Not later than June 30, 2020, the governing body of the**
 39 **Muncie Community school corporation shall provide to the**
 40 **distressed unit appeal board, the state superintendent of public**

1 instruction, and the Indiana commissioner for higher education a
2 report on the plan for the long term fiscal viability and academic
3 innovation of the Muncie Community school corporation. The plan
4 must include goals, metrics, and benchmarks for evaluating the
5 effectiveness of the plan.

6 Sec. 10. (a) Not later than October 31, 2021, and by October 31
7 in each subsequent year, the governing body of the Muncie
8 Community school corporation shall provide a report to the
9 chairperson of the distressed unit appeal board and the Indiana
10 commissioner for higher education.

11 (b) The report required in subsection (a) must outline the
12 following:

13 (1) Progress toward goals, metrics, and benchmarks
14 concerning fiscal viability and academic innovation.

15 (2) Innovative methods of instruction being used in the
16 Muncie Community school corporation.

17 (3) A comparison of the results obtained by the innovative
18 methods of instruction with conventional methods of
19 instruction.

20 (4) Any recommendations concerning the innovative methods
21 of instruction and their general applicability for public
22 schools.

23 Sec. 11. If Ball State University enters into a contract with the
24 Muncie Community school corporation under this chapter in an
25 amount that exceeds twenty-five thousand dollars (\$25,000), the
26 contract must be reviewed and approved by the distressed unit
27 appeal board.

28 Sec. 12. (a) The president of Ball State University, the members
29 of the Ball State University board of trustees, and any other officer
30 or employee of Ball State University are immune from civil liability
31 for actions taken by the governing body of the Muncie Community
32 school corporation or any action taken under the authority of this
33 chapter. This subsection does not apply to any officers or
34 employees of the university insofar as they are acting as a member
35 of the governing body of the school corporation.

36 (b) The governing body of the Muncie Community school
37 corporation may provide:

38 (1) for the defense of persons described in subsection (a) in
39 any suit arising out of the performance of the person's duties
40 for, or employment with, the state educational institution, if

- 1 the governing body, by resolution, determines that the action
 2 was taken in good faith; and
 3 **(2) for protecting any person described in subsection (a) from**
 4 **any liability, cost, or damage in connection with the**
 5 **performance of the person's duties for, or employment with,**
 6 **the governing body, including the payment of any legal fees,**
 7 **except when the liability, cost, or damage is:**
 8 **(A) predicated on, or arises out of, the bad faith of the**
 9 **person; or**
 10 **(B) based on the person's malfeasance in office or**
 11 **employment.**

12 **Sec. 13. (a) During the period beginning July 1, 2018, and**
 13 **ending June 30, 2022, the distressed unit appeal board shall**
 14 **provide financial support to the Muncie Community school**
 15 **corporation in an amount at least equivalent to the amount of**
 16 **compensation that would have been provided to an emergency**
 17 **manager of the Muncie Community school corporation if the**
 18 **school corporation had retained the designation of a distressed**
 19 **political subdivision.**

20 **(b) Financial assistance granted under subsection (a) shall be**
 21 **provided directly to the school corporation."**

22 Page 34, after line 17, begin a new paragraph and insert:

23 "SECTION 27. IC 34-30-2-84.8 IS ADDED TO THE INDIANA
 24 CODE AS A NEW SECTION TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2018]: **Sec. 84.8. IC 20-23-18-12 (Concerning**
 26 **Ball State University and the Muncie Community school**
 27 **corporation)."**

28 Renumber all SECTIONS consecutively.
 (Reference is to HB 1315 as introduced.)